

Administrative Services FY 2021 Budget Presentation

Wednesday, February 5, 2020
Infrastructure and General Government



Utah Department of
Administrative Services



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DFCM

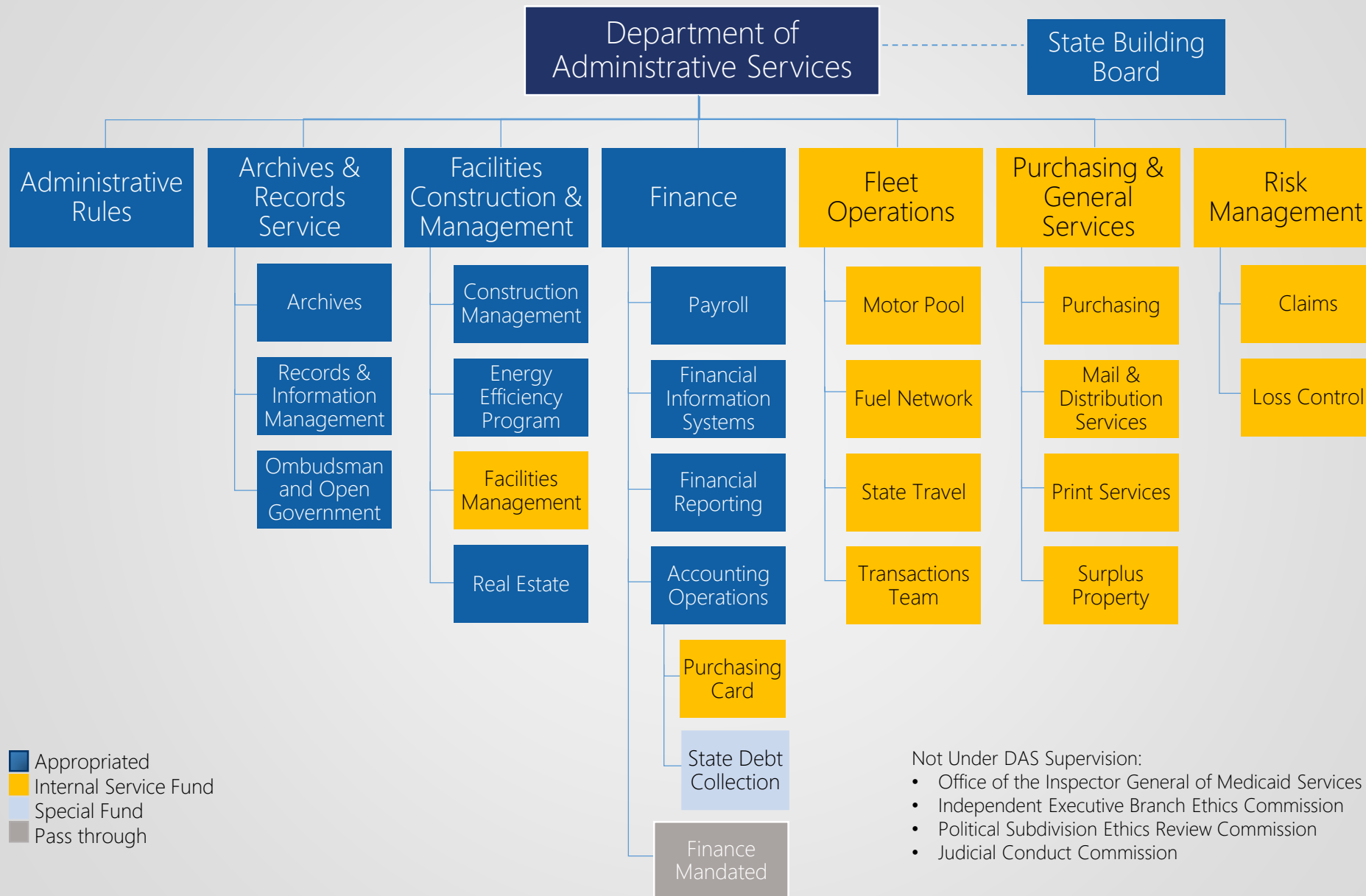
Purchasing

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Use of Existing Funds

To help offset budget requests, we examined:

- Internal funding gained from increased efficiencies;
- Unspent one-time funds

Division of Finance

General Fund and Internal Service Fund

Dashboard Link

Statewide financial systems and operations
Financial reporting
Accounting operations & State Debt Collection



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2019 Funding

Finance Dedicated Credits and Fiscal Notes

	2019 Legislature	Spent	Committed	Remainder
Dedicated Credits (authorization to collect fees)	\$20,700	Completing work begun prior to authorization of fees; anticipate collecting fees in FY 2021		
S.B. 102	\$12,700	Pending legislative allocation of money to funds (est. FY 2021)		
S.B. 102 one-time	\$8,000	\$6,700	\$1,300 (FY 2021)	\$0



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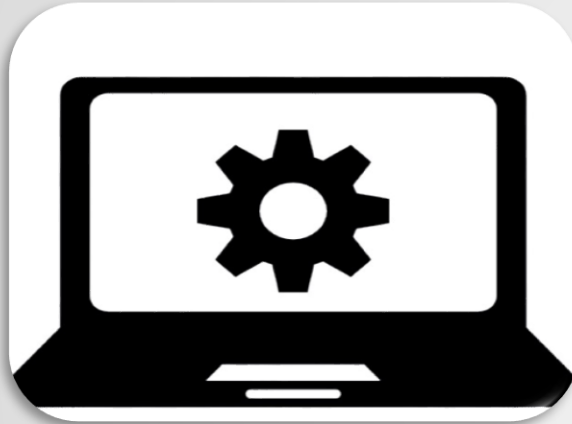
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Finance Challenges & Priorities



Upgrade of key
financial systems



Backlog of IT
projects



Growing demand
for services with
limited staff



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Finance Budget Request

Source	FY 2020 One-time	FY 2021 Ongoing	FY 2021 One-time
General Fund	\$2,500,000	\$1,500,000	\$4,000,000



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Finance Budget Request

What is FINET

- State's accounting system of record
 - Foundation for Comprehensive Annual Financial Report
 - 120 interfaces from 54 different systems
 - Repository of financial data provided to the public via the transparency website
-
- Processes over \$70B of financial transactions annually
 - Controls and tracks the state agency budgets
 - Initiates payments, tracks State assets, manages chart of accounts
 - Services state agencies, public education, elected officials



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FINET LIMITATIONS

- FINET is beginning to accrue technological debt
- Current version and hosting model will be unsupported in near future
- Unsustainable operating model inhibits use of available FINET tools across State agencies
- More vulnerable to cyber threats
- Shallow support bench
- Disaster recovery measured in weeks and months not hours and days
- Insufficient staff resources to both assist agencies while also maintaining system



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Opportunities

- Cost avoidance from unnecessary shadow systems
- Deeper bench for support, system performance, disaster recovery, and issue resolution
- Greater opportunities for interfaces through APIs
- Reduces risk due to staff legacy knowledge, on-premises hosting, incompatibility with other systems
- Extends the life of the system for another decade



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Finance Budget Request

How did we get here?

- Prior ONGOING Base Budget Cuts:
\$1.6M (FY2009-FY2011)
- Prior Nonlapsing ONE-TIME Cuts/reallocations:
\$5.2M (FY2009, FY2015, FY2019)
- OSDC return to the General Fund or reallocation:
\$2.8M (since FY2014)
- \$800,000 in increased software licensing and contractual maintenance
increases unfunded for Finance systems



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Source	FY 2020 One-time	FY 2021 Ongoing	FY 2021 One-time
General Fund	\$2,500,000	\$1,500,000	\$4,000,000

- Currently, Finance has \$2M in nonlapsing money for FY2020. \$1M will go to the rewrite of the Payment Tracking System and \$1M will be put towards FINET upgrade or purchase of a new state accounting system



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Where is it all going?

April 1 - June 30, 2020 - \$2.9M one-time

- Begin upgrade and transitional activities

- Identification and analysis of operational efficiency transformation areas

- Prepare and deploy cloud environment

July 1, 2020 - December, 2021 - \$4.6M one-time

- Completion of upgrade and full launch

Ongoing - \$1.8M - \$2.5M

- Hosting, disaster recovery, operations & maintenance, updates of the FINET cloud solution

- Local consultant support



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Finance Budget Request

We have known and communicated that this day was coming

We are at a crossroads. We have two choices:

- 1. Invest in a FINET model that will take us through the next decade**
- 2. Purchase a new financial system at about \$100M**

The current model as it stands will no longer be a viable option



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Finance Budget Request

- Approve Governor's Recommendation for FINET Financial System Upgrade funding:
 - \$2.5M FY 2020 One-time
 - \$1.5M FY 2021 Ongoing
 - \$4.0M FY 2021 One-time

DAS Executive Director's Office

General Fund

Coordinated management of administrative services



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2019 Funding

DAS-specific Telework Funding

	2019 Legislature	Spent	Committed	Remainder
DAS Telework	\$360,000	\$71,300	\$31,000	\$257,700

- Delayed implementation because of transition to the Taylorsville State Office Building (TSOB)
- DAS recommends reallocating \$15,000 from remaining telework funds to the one-time expenses for the Executive Director's Office budget request



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EDO Challenges & Priorities



Telework
implementation



Move to TSOB



In-depth program
performance analysis



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Executive Director's Budget Request

Data/Research Analyst

Source	FY 2020 One-time	FY 2021 Ongoing	FY 2021 One-time
General Fund		\$122,000	\$13,000

- DAS recommends reallocating one-time \$15,000 from DAS Telework funds to the one-time costs of this position

Consolidated Reception Services Dedicated Credit Authorization

Authorization	FY 2020	FY 2021	FY 2021
Dedicated Credit	\$185,000	\$270,000	

- Dedicated credit authorization to consolidate DAS reception services



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EDO Budget Request

Approve Governor's Recommendation:

- \$122,000 ongoing and \$13,000 for the Data/Research Analyst Position from GF
- dedicated credits authorization for consolidated reception services of:
 - \$185,000 for FY 2020
 - \$270,000 for FY 2021

Division of Archives & Records Service

General Fund

Archives
Records and information management
Ombudsman and open government



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Archives Challenges & Priorities



Electronic records
management and
preservation



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Archives Budget Request

<https://openrecords.Utah.gov/>

The screenshot shows the Open Records Portal homepage. At the top is a navigation bar with links for Government, Employment, Business, Education, Residents, Visiting, About Utah, Connect, Services, and Settings/Support. Below this is a search bar and a date selector set to February 4. The main header reads "Open Records Portal" with a "Login" link. The central banner features the text "OpenRecords" and a description: "The Open Records Portal is a central site from which a user can submit a records request (GRAMA request) to a governmental entity." Below the banner is a "Request Records" section with icons for "Browse All Agencies", "State Agencies", "Special Service Districts", "Cities and Towns", "K-12 Education", "Local Districts", "Counties", "Transit Districts", and "Interlocals". A "How It Works" section follows, listing steps from finding an entity to reviewing the submission. At the bottom, there are "Reports" for "Statistics for Entities" and "Statistics for Dates". The footer includes social media links (Twitter, Facebook, Mobile, Widgets, Photos, RSS, Blogs, YouTube) and a "Help" section with links to "Utah Maps" and "Homework Help".

<https://Utah.gov/pmn>

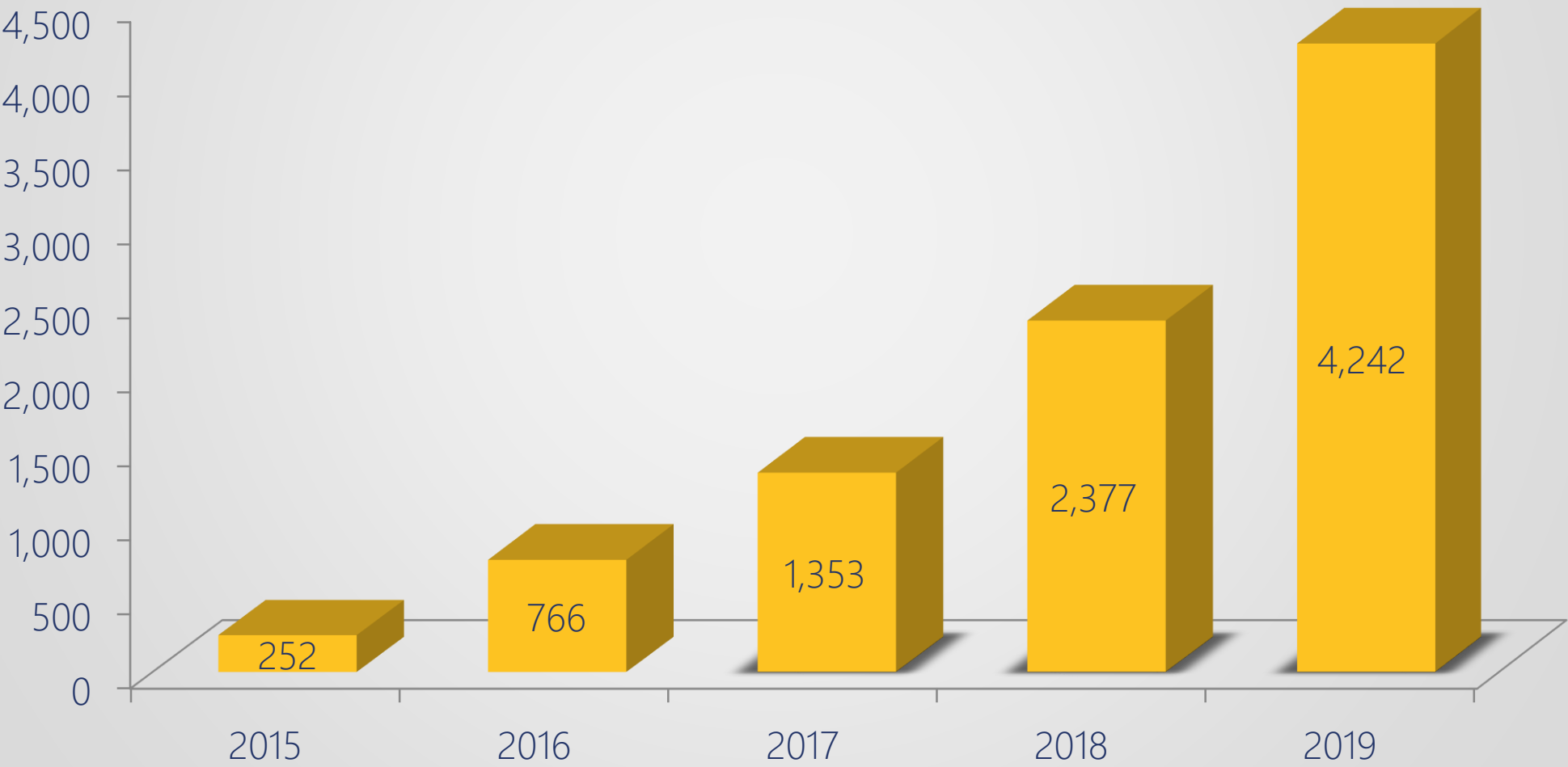
The screenshot shows the Utah Public Notice Website. The top navigation bar includes "Services" and "Agencies", along with a search bar. The header features the "UTAH PUBLIC NOTICE WEBSITE" logo and links for "About", "Login", and "Help". A welcome message states: "Welcome to the Utah Public Notice Website: Your central source for all public notice information in Utah." The main section is titled "Find a Notice" and includes a "Browse for Notice" subsection. It instructs users to "First select your Government, then the entity and then finally the Body. Results will appear below." Below this are three dropdown menus: "Government" (with options like State, County, Cities, Schools, etc.), "Entity" (with options like Alternative Energy Interlocal Entity, Attorney General's Office, etc.), and "Body(s)" (with options like Child's Welfare Parental Defense Oversight Committee, DAS Fee Agency, etc.). A "Search for a Public Body" section follows, with a text input field and a "Search" button. The bottom section is titled "Meetings and Events Around Me" and includes a map and a list of "Upcoming Events", specifically mentioning a "FORMAL MEETING AGENDA" for February 4, 2020 at 19:00 at 451 SOUTH STATE STREET, ROOM 315.



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Open Records Portal

Total GRAMA Requests Per Year

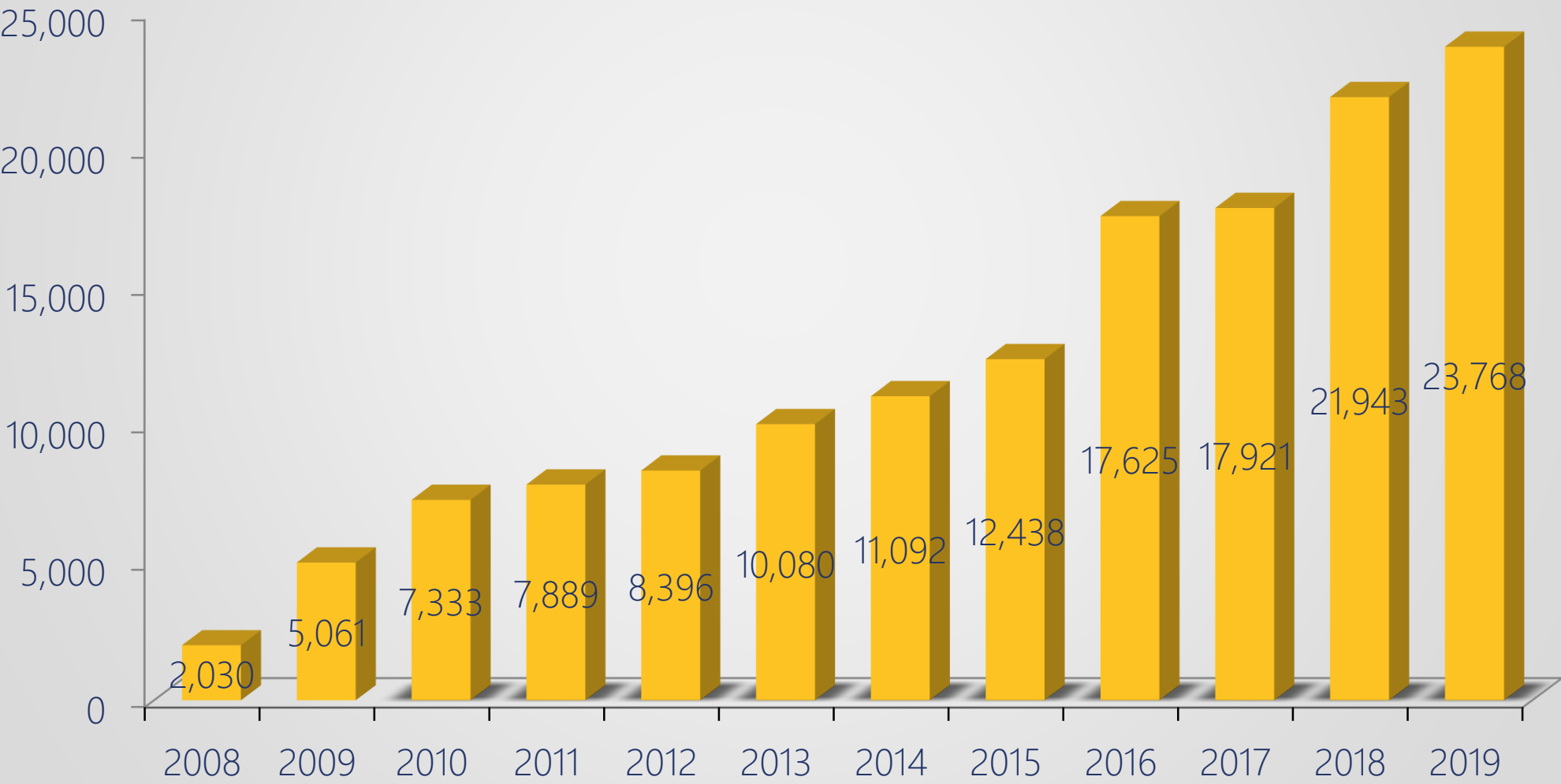




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Utah Public Notice Website

Total Visits Per Year





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Archives Budget Request

Upgrade to the Utah Public Notice Website and Open Records Portal

Source	FY 2020 One-time	FY 2021 Ongoing	FY 2021 One-time
General Fund	\$160,000		

- Archives identified savings in IT systems and started the first phase of this project with \$189,000
- DAS recommends a one-time transfer of \$50K from DFCM Energy program and \$50K from Rio Grande Street Clean-up remainder to Archives



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Approve Governor's Recommendation:

- \$160,000 one-time in FY 2021 for upgrades to Utah Public Notice Website and Open Records Portal

Division of Risk Management

Internal Service Fund

Service Dashboard

Risk Fund
Claims management
Loss prevention
Claims litigation
Excess insurance procurement



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Risk Management Base Adjustments

Adjustments to S.B. 6, Item 75

- Increase Dedicated Credits Revenue by \$205,800 to equal \$610,700
- Correct Premiums by \$2,171,108 to equal \$54,821,608
- Adjust Schedule of Programs:
 - ISF – Risk Management Administration from \$404,900 to \$610,700
 - Risk Management – Auto from \$1,911,700 to \$2,412,710
 - Risk Management – Liability from \$23,347,500 to \$26,383,010
 - Risk Management – Property from \$20,043,400 to \$18,873,734



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Risk Challenges & Priorities



Substantial increase in
liability claim costs

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Risk Management Budget Request

Transfers to Liability Fund

Source	FY 2020 One-time	FY 2021 Ongoing	FY 2021 One-time
Workers Comp Retained Earnings	\$1,000,000		
Administration Retained Earnings	\$630,000		
Property Retained Earnings	\$3,000,000		

- The above-requested transfers, together with transfers authorized in previous years, are requested to help make the Liability Fund actuarially sound.



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Risk Budget Request

- Adjust the base budget requested in S.B. 6, Item 75
 - With Dedicated Credit increase of \$205,800
 - With Premiums increase of \$2,171,108
- Approve the rates requested in H.B. 8
- Authorize the transfer of \$4.63M to Liability Fund:
 - \$1M from Workers Compensation Retained Earnings
 - \$3M from Property Retained Earnings
 - \$630K from Administration Retained Earnings

Division of Facilities Construction & Management (DFCM)

General Fund and Internal Service Fund

Dashboard Link

Facilities construction
Facilities management
State Building Energy Efficiency Program
Real estate program



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2019 Funding

	2019 Legislature	Spent	Committed	Remainder
H.B. 349 (from Capital Improvement funds)	\$80,400		\$20,400	\$60,000
Operation Rio Grande Street Clean-up	\$100,000	\$45,000	\$5,000	\$50,000
Correct error from 2018 funding for Project Managers	\$535,000 One-time (2019) \$535,000 Ongoing			



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DFCM Challenges & Priorities



Concurrent “once
in a lifetime”
projects



Employee
compensation



Market
escalations



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DFCM Budget Request

Transfers to DFCM

Source	FY 2020 One-time	FY 2021 Ongoing	FY 2021 One-time
Building Board		\$1,238,300	\$192,400

- This transfer completes changes made by H.B. 349 (2019) which moved some responsibilities from the State Building Board to DFCM.



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DFCM Budget Request

- Authorize the transfer of \$1,430,700 from the State Building Board to DFCM (H.B. 349)
- Approve the rates requested in H.B. 8
- Reallocate to Archives:
 - one-time \$50,000 from Rio Grande Street Clean-up
 - one-time \$50,000 from the DFCM Energy Program

Division of Purchasing & General Services

General Fund and Internal Service Fund

[Dashboard Link](#)

State Purchasing
State Mail
Copy Services
Surplus Property



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Purchasing Challenges & Priorities



Retention of
employees



Loss due to
poor agency
contract
administration



Implement
statewide
solution-based
solicitation
methods



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Purchasing Budget Request

- Correct the FTEs authorized in S.B. 6, Item 74, from 72.5 to 93
- Approve the rates requested in H.B. 8

Division of Fleet Operations

Internal Service Fund

Service Dashboard

Motor pool
State Fuel Network
State Travel
Transactions group



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Prudent
integration of
electric vehicles
into State Fleet



Motor Pool
management



In-depth
evaluation of Fleet
financial model



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- Approve the rates requested in H.B. 8

Office of Administrative Rules

General Fund

Enterprise eRules system
Utah Administrative Code
Utah State Bulletin
Rulemaking assistance



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Rules Challenges & Priorities



eRules implementation

2019 Special Funding





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2019 Funding

Air Quality Funding

	2019 Legislature	Spent	Committed / Queued	Remainder
Electric Vehicle Infrastructure	\$2,000,000	\$1,426,200	\$573,800	\$0
Snow Plow / Older Vehicle Replacement	\$2,000,000	\$2,000,000	\$0	\$0
Statewide Telework Pass-through (administered by GOMB)	\$6,000,000	\$367,900	\$4,014,800	\$1,617,300



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A New Workplace

Budgeted Projects

- Security
- Infrastructure
- Bandwidth
- Consultants, Technicians, and Engineer
- Training

Projects in Queue or Under Consideration

- Infrastructure
- Space Scheduling
- Audio Visual



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A New Workplace

Internal Agencies (Participating or in Process)

- Department of Administrative Services
- Department of Technology Services
- Department of Human Resource Management
- Insurance Department
- Department of Health
- Public Lands Policy Coordinating Office
- Governor's Office of Management and Budget
- Department of Environmental Quality
- Department of Agriculture and Food
- Department of Natural Resources
- Board of Pardons and Parole
- Department of Human Services
- Department of Heritage and Arts

Remaining agencies will be in process by July 2020.



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A New Workplace

Improve Air Quality

- 154.2 lbs./month emissions avoided

Increase or Maintain Employee Productivity

- Currently a 17.6% increase

Enhance Building Utilization/Master Space Planning

- DOH and PLPCO

Increase Jobs in Rural Utah

- Estimated Increase of 7 jobs

Participants

- 218 Onboarded
- 21 In Process

Departments

- DAS
- Insurance
- DHRM
- DTS
- Health
- DEQ
- GOMB

Questions

THANK YOU

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